

CENTRAL INTELLIGENCE AGENCY  
WASHINGTON 25, D. C.

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29 March 1963

Honorable Kermit Gordon  
Director  
Bureau of the Budget  
Washington 25, D. C.

Dear Mr. Gordon:

This is in response to Bureau of the Budget Bulletin 63-10, dated 27 February 1963, concerning recommendations of the Administrative Conference of the United States. These recommendations have been reviewed carefully in light of the special security requirements of the Agency. In great part the recommendations are not applicable, and we include below our comments on certain of the recommendations.

16. We concur in this recommendation and work is going forward to establish appropriate Agency regulations on the subject.

24. We concur in the general objective of this recommendation and, to the limited extent applicable, would attempt to comply with the spirit, subject of course to necessary security restrictions.

26. We concur generally. Again, this would have limited application to the Agency and would be subject to usual security requirements.

28-8 through 28-14. This series of recommendations deals with the general subject of improvement opportunities for lawyers in Government, and we generally concur with the objectives. Since the Agency is exempt by law from the provisions of the Classification Act, Civil Service Commission would not have jurisdiction. Further, our Career Service Program more adequately fills our particular requirements.

29-1 through 29-9. These recommendations generally deal with disbarment of contractors, and we are in general accord with the basic objectives of promoting procedural fairness in such situations. By virtue of the authorities available to the Agency, which are based on our unique security requirements, we have over the years established procedures appropriate to these authorities and our security requirements. We do not believe that our special requirements could be fitted into a general Government-wide program.

30. It is rare that the Agency has any adjudicatory proceedings and these few have related to contract appeals. We believe that our security requirements are such that no general principle of discovery could be made applicable to such proceedings.

The statutory requirements placed on the Director of Central Intelligence to protect intelligence sources and methods from unauthorized disclosure severely limit the Agency's ability to comply with many of the recommendations in the Report. To the extent that the concepts and objectives are compatible with Agency security requirements, we will give this Report continuing study with the view of promulgating appropriate Agency regulations.

Sincerely,

Lawrence R. Houston  
General Counsel

cc: DD/S  
Comptroller  
OGC subject O&M w/basic  
OGC chrono  
✓OGC/LC  
OGC:LRH:jeb  
added ICC-OGC/Logistics w/basic